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TRIANGLE COMMUNICATIONS, INC.

"TWO WAY MOBILE COMMUNICATIONS SALES AND SERVICE"

January 4, 1995

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Mr. William F. Caton
Office of the Secretary
Federal Communications Commission
1919 M. Street, NW, Room 222
Washington, D.C. 20554

FCC MAIL ROOM

Dear Mr. Caton:

There is question and much to comment about in the Proposed Rule Making. Many of the concepts look good, however, much can be construed in many ways. We, at *Triangle Communications, Inc.*, ask that the Commission be very open minded about protecting present users (the public) and small businesses that helped make this industry what it is today.

Please keep in mind that small businesses like *Triangle Communications, Inc.* have contributed millions of dollars in federal and state taxes over the last decade. To those who comment that we received our licenses for a small license fee must stop and realize that much of our profit has been returned to the federal and state government through income taxes. Therefore, we have contributed via income taxes rather than the auction. Will many of these new corporations using public monies turn profits that will enable them to pay substantial federal and state taxes while operating at a loss? Will the auction create a once and done revenue at the expense of small business and the users which are small businesses communicating at a reasonable cost?

Greed has caused much of the spectrum shortage in the 800 mhz band. Big business is attempting to control as much of 800 mhz as possible, tying up channels for years while proposing a system that has yet to be proven. Speculators who have obtained licenses in the hope of getting rich quick is again at the expense of the small business and the public that could be using this spectrum. All this is happening while many of our customers wait for the use of airwaves.

Our request is very simple.

- A. We ask you to consider small businesses, like *Triangle Communications, Inc.* with 25 employees to continue serving our customer base under 5,000 mobiles with practical and inexpensive communications.

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- B. Allow us to expand our business with spectrum in the future.
- C. Let us fulfill our dreams and operate the small business that we worked so hard to build and made successful in the last decade.
- D. We understand the advantages of creating blocks of 800 spectrum to utilize the spectrum more efficiently. Therefore, enable us to relocate efficiently.

We have made comments to several paragraphs in the Proposal Rule Making document. These are our viewpoints as we see them from a small business. We are members of AMTA and do support its position.

Your careful consideration would be appreciated as you, the commissioners, finalize this Proposed Rule Making.

Sincerely,

A handwritten signature in black ink, appearing to read "Roy K. Smoker", with a long horizontal flourish extending to the right.

Roy K. Smoker
Vice President

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Comments

Section IV, 4D, Paragraph 100

Comments regarding whether special bidding credits shall be provided to rural telephone companies.

We would wonder why rural telephone companies should receive any special treatment? Many SMRs operating today have spent many hard earned dollars in the late 70's and early 80's for equipment that was expensive and many times became out-dated before or soon after the equipment and/or antennas were installed. We have paid a high price to innovate this 800 mhz spectrum and over the years have made it quite successful. If any bidding credits should be offered it should be to the incumbent SMRs or those SMRs who are willing to migrate to make way for wide area systems. What has rural telephone done in this industry to obtain bidding credits?

Section IV, D. Paragraph 52

Inter-Category Sharing.

We agree that true existing general category or pool channels within existing operations should be allowed to continue. We do feel, however, that operations should consist of more than a station being constructed with a handful of mobiles in operation. In cases where licensees are operating a small handful of mobiles, the commission should continue the process of sharing frequencies. Those systems that are constructed and have no legitimate operating mobiles other than to warehouse the channels should have their licenses revoked. A comment in *Paragraph 53* as stated "a portion of general category should be set aside for non-SMR and a portion for SMRs." We do feel that in most of the metro areas where those SMRs are willing to migrate, there may not be enough channels available in that block of 80 channels to meet the demand. These general category channel categories then could be set aside. A block of general category channels should then be used to fulfill that spectrum need. In order to encourage migration, those willing licensees should receive channels or blocks of channels from this reserved spectrum. This spectrum would be issued on a first come first serve basis. Those who choose to move and those to choose not to move may find no or less channels available if the demand is greater than the channels available in that area.

Section II. B, Paragraph 25.

We feel that licenses should be granted in blocks of no less than 5 channels at a time. For example, an existing SMR presently operating its system covering a geographic area, has 500 mobiles operating on a 5 channel system and has need to expand it's capacity. In the past an SMR could request to add an additional 5 channels. However, in metro areas and now almost everywhere, there is no YX 5 channel blocks left. Therefore, a general category channel could be added, one channel at a time. This would be an ideal situation except an SMR needs to reprogram all of its equipment every time they wish to expand. Reprogramming hundreds of units is costly and the end user down time of vehicles, lost personnel time and other expenses occur to both users and SMRs. By granting blocks of no less than 5 channels, two options would be possible. One would allow the present analog systems to operate for their users who have recently purchased analog equipment.

Second, the additional block of channels could be used in new technology such as ESMR, high power mirs or Linear Modulation or such technology that would increase the capacity over our present analog system. This would give the general public (end users) the opportunity to migrate gradually by the end of the decade or upon demand of spectrum. The incumbent SMR should possibly receive a bidding credit or some type of consideration since they are already have an established customer base and have been serving the general public in the last two decades. We would suggest that no new SMRs be allowed to file for general category channels for the sole purpose of constructing a new SMR system for at least two years. This time period would allow incumbent SMRs to settle in on these new frequencies and have some time for licenses to be expanded and also have spectrum available for future growth. Indeed, where spectrum is not a high demand and it deemed beneficial, after two years new SMRs could apply for blocks of five channels and commence newly constructed SMR systems.